



COMMONWEALTH of VIRGINIA

Matthew J. Strickler
Secretary of Natural Resources

DEPARTMENT OF ENVIRONMENTAL QUALITY
Blue Ridge Regional Office
3019 Peters Creek Road, Roanoke, Virginia 24019
(540) 562-6700; Fax (540) 562-6725
www.deq.virginia.gov

David K. Paylor
Director

Robert J. Weld
Regional Director

**STATE AIR POLLUTION CONTROL BOARD
ENFORCEMENT ACTION - ORDER BY CONSENT
ISSUED TO
VOLVO GROUP NORTH AMERICA, LLC
FOR THE
DUBLIN, VA FACILITY
Registration No. 20765**

SECTION A: Purpose

This is a Consent Order issued under the authority of Va. Code §§ 10.1-1309 and -1316, between the State Air Pollution Control Board and Volvo Group North America, LLC, regarding its facility in Dublin, Virginia, for the purpose of resolving certain violations of the Virginia Air Pollution Control Law, applicable regulations and its permit.

SECTION B: Definitions

Unless the context clearly indicates otherwise, the following words and terms have the meaning assigned to them below:

1. "Board" means the State Air Pollution Control Board, a permanent citizens' board of the Commonwealth of Virginia, as described in Va. Code §§ 10.1-1184 and -1301.
2. "BRRO" means the Blue Ridge Regional Office of DEQ, located in Roanoke, Virginia.
3. "Department" or "DEQ" means the Department of Environmental Quality, an agency of the Commonwealth of Virginia, as described in Va. Code § 10.1-1183.
4. "Director" means the Director of the Department of Environmental Quality, as described in Va. Code § 10.1-1185.

5. "Facility" means the Volvo Group North America, LLC operated facility, located at 4881 Cougar Trail Road, Dublin, Virginia. The Facility is a heavy-duty truck manufacturing facility.
6. "Notice of Violation" or "NOV" means a type of Notice of Alleged Violation under Va. Code § 10.1-1309.
7. "Order" means this document, also known as a "Consent Order" or "Order by Consent," a type of Special Order under the Virginia Air Pollution Control Law.
8. "PCE" means a partial compliance evaluation by DEQ staff.
9. "Permit" means both the Prevention of Significant Deterioration permit ("PSD Permit") issued to Volvo on January 19, 2016, which authorizes Volvo to construct and operate a stationary source of air pollution and the significant amendment to the PSD Permit issued on May 1, 2017. The Permit and its amendment were issued under the Virginia Air Pollution Control Law and the Regulations.
10. "Regulations" or "Regulations for the Control and Abatement of Air Pollution" mean 9 VAC 5 chapters 10 through 80.
11. "Va. Code" means the Code of Virginia (1950), as amended.
12. "VAC" means the Virginia Administrative Code.
13. "Virginia Air Pollution Control Law" means Chapter 13 (§ 10.1-1300 *et seq.*) of Title 10.1 of the Va. Code.
14. "Volvo" means Volvo Group North America, LLC a company authorized to do business in Virginia and its affiliates, partners, and subsidiaries. Volvo is a "person" within the meaning of Va. Code § 10.1-1300.

SECTION C: Findings of Fact and Conclusions of Law

1. Volvo operates the Facility in Dublin, Virginia. The Facility is the subject of the Permit that allows air emissions related to a heavy-duty truck production facility. The Permit contains conditions and enumerates emission limitations on the air emissions from the Facility. The permit includes designated equipment subject to New Source Performance Standards ("NSPS").
2. On February 21-23, 2017, Volvo conducted a stack test on the regenerative thermal oxidizer ("RTO") that controls emissions from the Plastics Line spray booths (8PE-003 & 9PE-002) and the RTO that controls emissions from the Cab Line spray booths (8PE-001 & 9PE-001). The stack test was to demonstrate compliance with the destruction efficiency, capture efficiency, and NOx and CO emission limits. On March 24, 2017, Volvo submitted the results of the stack test to the Department and Department staff conducted a PCE of the

submittal and noted that Volvo failed to demonstrate compliance with the emissions limits and control efficiencies enumerated in the Permit. The reported results for CO emission testing were as follows:

Plastics Line RTO:	CO = 4.25 lbs/hr; Permit limit = 2.1 lbs/hr
Cab Line RTO:	CO = 6.56 lbs/hr; Permit limit = 2.6 lbs/hr

3. On April 19, 2017, based on the review of the stack test results, the Department issued NOV number ABRRO000624-001 to Volvo for failing to demonstrate compliance with the Permit.
4. On May 8-10, 2017, Volvo conducted a retest of NOx, CO and VOCs for the Plastics Line RTO and Cab Line RTO and an initial performance test for Multitone RTO (8PE-002/8FBE-008) for NOx, CO and VOCs.
5. On June 13, 2017, Volvo submitted the results of the stack test to the Department and Department staff conducted a PCE of the submittal and noted that Volvo demonstrated compliance with the CO emission rates for Plastics Line RTO & Cab Line RTO but the test results for the Multitone RTO were invalid due to a bypass damper not being 100% closed.
6. Volvo conducted a stack test the week of August 28, 2017 and on October 10, 2017, Department staff conducted a review of the submittal. The capture testing was a retest and though better capture was achieved during this testing, Volvo did not meet the 100% capture requirements for the Plastics and Cab lines. This is the second test that demonstrates that the source did not achieve 100% capture efficiency.
7. Volvo conducted a stack test on October 18 – 19, 2017 for the Multitone RTO, as required by its Permit, and Department staff conducted a review of the submittal. Volvo demonstrated compliance for NOx and CO emission limits but failed to meet the control or capture efficiency for Multitone.
8. Volvo conducted another stack test on November 30, 2017 for the Multitone RTO and demonstrated compliance with the control efficiency requirement.
9. Condition #27 of the Permit requires the control efficiency requirement for RTOs to be no less than 95%. Volvo demonstrated compliance on November 30, 2017, 255 days beyond the requirement date of March 20, 2017.
10. Condition #31 of the Permit requires 100% capture efficiency for all spray booths. Volvo has not been able to demonstrate compliance with this permit requirement.
11. Condition #45 of the Permit enumerates emission limits for CO and NOx from the Plastic line, the Cab line, and the Multitone line. Volvo demonstrated compliance on May 10, 2017 for the Plastics line and Cab line CO emission limits, 51 days beyond the requirement date of March 20, 2017. Volvo demonstrated compliance with the CO and NOx emission limits for the Multitone line on October 19, 2017, 213 days beyond the requirement of March 20, 2017.

12. Condition #46 of the Permit requires testing no later than 180 days of startup notification. The Department received notification that startup of the units occurred on September 20, 2016 and testing should have occurred no later than March 20, 2017.
13. Condition #47 of the Permit requires an initial compliance demonstration showing VOC capture efficiency no later than 180 days of startup. The initial demonstration should have occurred no later than March 20, 2017.
14. On January 11, 2018, the Department issued NOV number ABRRO000624-002 to Volvo for failing to demonstrate compliance with the Permit, as described in paragraphs C(9) through C(13), above.
15. Based on reviews of the February 2017, May 2017, August 2017, October 2017 and November 2017 stack test reports, the Board concludes that Volvo has violated the Permit, as described in paragraph C(2) through C(13), above.
16. Volvo has demonstrated compliance with Permit Conditions #27 and #45 and verified that the violations described in paragraphs C(9) and C(11), above, has been corrected.
17. On March 19, 2018, Volvo submitted a permit modification request to change the capture efficiency requirements in Condition # 31 for the spray booths in the PSD Permit. Volvo has used data from the stack tests and arrived at a proposed capture efficiency requirement of 95%. This resolves the violation described in paragraph C(10), above **without** demonstrating compliance with the Permit.

SECTION D: Agreement and Order

Accordingly, by virtue of the authority granted it in Va. Code §§ 10.1-1309 and -1316, the Board orders Volvo, and Volvo agrees to pay a civil charge of **\$79,006** within 30 days of the effective date of the Order in settlement of the violations cited in this Order.

Payment shall be made by check, certified check, money order or cashier's check payable to the "Treasurer of Virginia," and delivered to:

Receipts Control
Department of Environmental Quality
Post Office Box 1104
Richmond, Virginia 23218

Volvo shall include its Federal Employer Identification Number (FEIN) 22-1582040 with the civil charge payment and shall indicate that the payment is being made in accordance with the requirements of this Order for deposit into the Virginia Environmental Emergency Response Fund (VEERF). If the Department has to refer collection of moneys due under this Order to the Department of Law, Volvo shall be liable for attorneys' fees of 30% of the amount outstanding.

SECTION E: Administrative Provisions

1. The Board may modify, rewrite, or amend this Order with the consent of Volvo for good cause shown by Volvo, or on its own motion pursuant to the Administrative Process Act, Va. Code § 2.2-4000 *et seq.*, after notice and opportunity to be heard.
2. This Order addresses and resolves only those violations specifically identified in Section C of this Order. This Order shall not preclude the Board or the Director from taking any action authorized by law, including but not limited to: (1) taking any action authorized by law regarding any additional, subsequent, or subsequently discovered violations; (2) seeking subsequent remediation of the facility; or (3) taking subsequent action to enforce the Order.
3. For purposes of this Order and subsequent actions with respect to this Order only, Volvo admits to the jurisdictional allegations, and agrees not to contest, but neither admits nor denies, the findings of fact and conclusions of law in this Order.
4. Volvo consents to venue in the Circuit Court of the City of Richmond for any civil action taken to enforce the terms of this Order.
5. Volvo declares it has received fair and due process under the Administrative Process Act and the Virginia Air Pollution Control Law and it waives the right to any hearing or other administrative proceeding authorized or required by law or regulation, and to any judicial review of any issue of fact or law contained herein. Nothing herein shall be construed as a waiver of the right to any administrative proceeding for, or to judicial review of, any action taken by the Board to modify, rewrite, amend, or enforce this Order.
6. Failure by Volvo to comply with any of the terms of this Order shall constitute a violation of an order of the Board. Nothing herein shall waive the initiation of appropriate enforcement actions or the issuance of additional orders as appropriate by the Board or the Director as a result of such violations. Nothing herein shall affect appropriate enforcement actions by any other federal, state, or local regulatory authority.
7. If any provision of this Order is found to be unenforceable for any reason, the remainder of the Order shall remain in full force and effect.
8. Volvo shall be responsible for failure to comply with any of the terms and conditions of this Order unless compliance is made impossible by earthquake, flood, other acts of God, war, strike, or such other unforeseeable circumstances beyond its control and not due to a lack of good faith or diligence on its part. Volvo shall demonstrate that such circumstances were beyond its control and not due to a lack of good faith or diligence on its part. Volvo shall notify the DEQ Regional Director verbally within 24 hours and in writing within three business days when circumstances are anticipated to occur, are occurring, or have occurred that may delay compliance or cause noncompliance with any requirement of the Order. Such notice shall set forth:
 - a. the reasons for the delay or noncompliance;

- b. the projected duration of any such delay or noncompliance;
- c. the measures taken and to be taken to prevent or minimize such delay or noncompliance; and
- d. the timetable by which such measures will be implemented and the date full compliance will be achieved.

Failure to so notify the Regional Director verbally within 24 hours and in writing within three business days, of learning of any condition above, which the parties intend to assert will result in the impossibility of compliance, shall constitute a waiver of any claim to inability to comply with a requirement of this Order.

- 9. This Order is binding on the parties hereto and any successors in interest, designees and assigns, jointly and severally.
- 10. This Order shall become effective upon execution by both the Director or his designee and Volvo.
- 11. This Order shall continue in effect until:
 - a. The Director or his designee terminates the Order after Volvo has completed all of the requirements of the Order;
 - b. Volvo petitions the Director or his designee to terminate the Order after it has completed all of the requirements of the Order and the Director or his designee approves the termination of the Order; or
 - c. the Director or Board terminates the Order in his or its sole discretion upon 30 days' written notice to Volvo.

Termination of this Order, or any obligation imposed in this Order, shall not operate to relieve Volvo from its obligation to comply with any statute, regulation, permit condition, other order, certificate, certification, standard, or requirement otherwise applicable.

- 12. Any plans, reports, schedules or specifications attached hereto or submitted by Volvo and approved by the Department pursuant to this Order are incorporated into this Order. Any non-compliance with such approved documents shall be considered a violation of this Order.
- 13. The undersigned representative of Volvo certifies that he or she is a responsible official authorized to enter into the terms and conditions of this Order and to execute and legally bind Volvo to this document. Any documents to be submitted pursuant to this Order shall also be submitted by a responsible official of Volvo.
- 14. This Order constitutes the entire agreement and understanding of the parties concerning settlement of the violations identified in Section C of this Order, and there are no

representations, warranties, covenants, terms or conditions agreed upon between the parties other than those expressed in this Order.

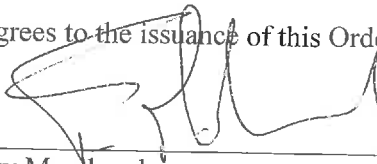
15. By its signature below, Volvo voluntarily agrees to the issuance of this Order.

And it is so ORDERED this 31st day of August, 2018.



Robert J. Weld, Regional Director
Department of Environmental Quality

Volvo Group NA LLC voluntarily agrees to the issuance of this Order.

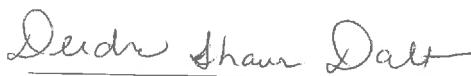
Date: August 23, 2018 By: 

Franky Marchand
Vice-President & General Manager
Volvo Group NA LLC

Commonwealth of Virginia

City/County of Pulaski

The foregoing document was signed and acknowledged before me this 23 day of August, 2018, by Franky Marchand who is Vice-President & General Manager of Volvo Group NA LLC, on behalf of the company.



Notary Public

286906

Registration No.

My commission expires: 7/31/2019

Notary seal:

